increased frequency of controls during harvesting, shortening of the period for collection of opium and the continuous increase in the Minimum Qualifying Yield criteria for determining the eligibility of opium cultivators.

Merger of weak banks

1706 SHRI YADLAPATI VENKAT RAO:
SHRI PARMESHWAR KUMAR AGARWALLA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering merger of small and weak banks in the near future;

(b) whether Government's stake in such banks is also likely to be reduced; and

(c) what is Government's stake at present and what is the proposal in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) and (c) Do not arise.

Widening of tax net

1707. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Central Board of Direct Taxes is thinking of expanding the tax net so as to increase the tax revenue;

(b) whether Government are making it mandatory to furnish annual information return along with Income Tax return if any assessee enters into a financial transaction with another one for any big purchase; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) The Finance Act, 2003 has inserted a new section 285BA in the Income-tax Act providing that any assessee, who enters into any prescribed financial transaction with any other person, shall furnish an Annual Information Return in respect of such financial transactions entered into by him during the financial year. The above section shall be

applicable from the assessment year 2004-2005.

(c) The format of the Annual Information Return and the details of the financial transactions are yet to be prescribed.

Disclosure of financial statements by banks

1708. SHRI K. RAMA MOHAN A RAO:
SHRI RAMA MUNI REDDY SIRIGIREDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that RBI has asked all banks to prepare and disclose consolidated financial statement from the fiscal commencing April, 2002;

(b) if so, the reasons for such a decision;

(c) in what manner it would help the bank administration and customers;

(d) whether Government have found any loophole in the present dispensation of submitting solo financial statement; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Yes, Sir. Reserve Bank of India has issued guidelines to all scheduled commercial banks (excluding RRBs & Local Area Banks) for consolidated accounting and other quantitative methods to facilitate consolidated supervision. The present guidelines on consolidated accounting has been issued to present overall evaluation (qualitative as well as quantitative) of the strength of a Group to which a bank belongs. The main objective is to assess the potential impact of other Group companies on the bank. Therefore, it is a group wide approach to supervision where all risks run by a banking group are taken into account in totality.

(d) No, Sir.

(e) Does not arise.